

## Message Text

CONFIDENTIAL

PAGE 01 PANAMA 02032 120035 Z

66

ACTION ARA-17

INFO OCT-01 ADP-00 EB-11 COME-00 H-02 L-03 RSC-01 RSR-01

CIAE-00 INR-10 NSAE-00 /046 W  
----- 044983

R 112143 Z APR 73  
FM AMEMBASSY PANAMA  
TO SECSTATE WASHDC 7164

C O N F I D E N T I A L PANAMA 2032

E. O. 11652: GDS  
TAGS: ETRD, CPRS, PN  
SUBJ: CONSOLIDATED PAINT AND VARNISH CORP. (DEITZ CASE)

REF PANAMA 2031; STATE 207917

1. FOLLOWING CALL ON PRESIDENT LAKAS APRIL 10 ( SEE  
SEPTEL), MR. CHAMBERLIN AND EMBOFF CALLED ON MINISTER  
OF FINANCE AND TREASURY MIGUEL A. SANCHIZ AT 5:00 PM  
FOR APPOINTMENT ARRANGED BY PRESIDENT. ALTHOUGH  
ATMOSPHERE WAS FRIENDLY ON PERSONAL BASIS, MINISTER WAS  
BLUNT AND CLEARLY IRRITATED AT HAVING BEEN FINGERED  
TO WORK OUT SETTLEMENT.

2. PETULANCE OF MINISTER SHOWED THROUGH WHEN HE OPENED  
CONVERSATION BY SAYING THAT IF IT WERE NOT FOR THE  
EMBASSY OF THE UNITED STATES SITTING ON GOVERNMENT'S  
NECK, HE WOULD NOT RPT NOT PAY THE BILL. HE  
PERSONALLY WAS STRONGLY OPPOSED TO IT AND SO WAS  
CONTROLLER GENERAL. SANCHIZ STATED THAT CONSOLIDATED'S  
AGENT " BETTER NEVER SET FOOT IN MINISTRY." MINISTER  
THEN MADE CLEAR THAT CABINET HAD NOT RPT NOT APPROVED  
DEBT BE PAID BUT THAT " DEBT BE NEGOTIATED\*" HE TOLD  
CHAMBERLIN HE WAS GOING TO BE TOUGH AND WANTED BANK'S  
VP TO KNOW THAT. WHEN CHAMBERLIN SAID HE PREPARED TO  
OFFER TWO YEARS AND TEN PERCENT DOWN, SANCHIZ REPLIED  
THAT WOULD NOT BE GOOD ENOUGH.

3. QUICKLY BECAME CLEAR THAT MINISTER WOULD NOT WORK  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PANAMA 02032 120035 Z

OUT SETTLEMENT THIS WEEK- HE SAID AS MUCH-- BUT DID OFFER  
TO MEET WITH CHAMBERLIN AT NEW YORK. TENTATIVE  
APPOINTMENT SCHEDULED FOR APRIL 24 OR 25. MINISTER IS SUPPOSED  
TO CALL BANK' S NEW YORK OFFICE TO ARRANGE DEFINITE MEETING.  
SAYRE

CONFIDENTIAL

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* CONFIDENTIAL

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:**  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 APR 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973PANAMA02032  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** RR  
**Errors:** n/a  
**Film Number:** n/a  
**From:** PANAMA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730441/aaaaihbl.tel  
**Line Count:** 73  
**Locator:** TEXT ON-LINE  
**Office:** ACTION ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 73 PANAMA 2031, 73 STATE 207917  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 23 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <23-Jan-2002 by collinp0>; APPROVED <22 FEB 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** <DBA CORRECTED> gwr 971229  
**Subject:** CONSOLIDATED PAINT AND VARNISH CORP. ( DEITZ CASE) REF PANAMA 2031; STATE 207917  
**TAGS:** CPRS, ETRD, PM  
**To:** ARA  
**SECSTATE WASHDC**  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005